



U.S. Department of Justice

United States Attorney

Eastern District of Pennsylvania

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615 Chestnut Street  
Suite 1250  
Philadelphia, Pennsylvania 19106-4476  
(215) 861-8200

July 14, 2011

**NEVADA MAN CHARGED IN MULTI-MILLION DOLLAR MORTGAGE FRAUD  
SCHEME INVOLVING BEACH PROPERTIES**

PHILADELPHIA - John C. Lucidi, Jr. was charged today by Information<sup>1</sup> with conspiracy to commit wire fraud, wire fraud, and money laundering in relation to a multi-million dollar mortgage fraud scheme, announced United States Attorney Zane David Memeger. According to the information, between May 2005 and October 2008, while employed as a mortgage broker by companies in West Chester, Pennsylvania, and Newtown Square, Pennsylvania, Lucidi conspired to knowingly devise a scheme to defraud Bank of America, CitiMortgage, Countrywide Bank, First Magnus Financial, JP Morgan Chase, PNC Bank, Wells Fargo, and other mortgage lenders, and to knowingly obtain money and property from Bank of America, CitiMortgage, Countrywide Bank, First Magnus Financial, JP Morgan Chase, PNC Bank, Wells Fargo, and other mortgage lenders.

Lucidi allegedly found buyers, including family members, to purchase residences - primarily located at the shore in North Wildwood, New Jersey - for inflated prices so that the buyers could get kickbacks of tens of thousands of dollars at closing. Lucidi allegedly helped the buyers qualify for mortgages using false information, such as inflated income and asset information, false employment information, and under-reported debt information. The scheme resulted in losses to the mortgage lenders of approximately \$7 million. Although the buyers had good credit scores, many of them were in low-paying jobs, or were unemployed, and did not possess the income or assets necessary to purchase high-end shore properties. Most of the buyers made few or no payments on their mortgages, causing the lenders to foreclose on the properties and attempt to resell them to recoup some of their losses.

At or after the real estate closings, the buyers received kickbacks typically between \$30,000 to \$50,000. Lucidi allegedly profited from the scheme by making inflated commissions on the transactions, by receiving kickbacks on his own purchases, and by receiving other kickbacks from the sellers of the properties for finding them willing buyers. According to the information, defendant Lucidi facilitated approximately 35 real estate transactions that involved inflated sales prices.

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<sup>1</sup>An Indictment or Information is an accusation. A defendant is presumed innocent unless and until proven guilty.

INFORMATION REGARDING THE DEFENDANT

NAME	ADDRESS	YEAR OF BIRTH
John C. Lucidi, Jr.	Las Vegas, Nevada	1980

If convicted, the defendant faces a maximum possible sentence of 65 years imprisonment, a three year period of supervised release, a \$1,500,000 fine or a fine of \$500,000 plus up to twice the amount of the criminally derived property involved in the money laundering transactions, and a \$600 special assessment. Full restitution also shall be ordered.

The case was investigated by the Federal Bureau of Investigation, the Internal Revenue Service Criminal Investigation Division, and the United States Secret Service, and is being prosecuted by Assistant United States Attorney Nancy E. Potts.

**UNITED STATES ATTORNEY'S OFFICE  
EASTERN DISTRICT, PENNSYLVANIA  
Suite 1250, 615 Chestnut Street  
Philadelphia, PA 19106**

**Contact: PATTY HARTMAN  
Media Contact  
215-861-8525**

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